Department of General Services

FY09 Performance Plan

Contribution to Montgomery County Results

- A Responsive and Accountable County Government
- An Effective and Efficient Transportation Network
- Healthy and Sustainable Communities
- A Strong and Vibrant Economy

Department At-A-Glance

What DGS Does	How Much
<u>In General</u> Provides Government-to-Government services which allow other government departments and agencies to devote their time to their core mission	• 461 positions, • 452.1 Work years • $153,142,960 budget all non-CIP funds • $170,109,000 CIP budget
<u>Fleet Management Services</u> Plans for, acquires, maintains, and disposes of the County's motor vehicles, buses, heavy equipment, and other rolling stock for all County agencies	• Internal Service Fund - $67,674,780 budget • $1,322,650 Non-Departmental Account (NDA) • 206 positions
<u>Facilities Maintenance and Management Services</u> Plans for and implements a comprehensive program for delivery of building-related maintenance and services for all County agencies	• Public Service Program (PSP) - $22,198,396 • CIP - $ 5,350,000 • 117 positions
<u>Building Design and Construction</u> Oversees and implements the Building Capital Improvements Program (CIP) which includes the development of strategic plans for County-wide operations, and the planning, design, and construction of new and remodeled buildings and structures for County agencies and other venues owned by the County	• CIP - $164,759,000 • 43 positions
<u>Central Duplicating, Imaging, Archiving, and Mail Services</u> Provides document management through high-speed copying and reproductive services, archiving, electronic copying and storage, inter-office mail delivery and U. S. Postal services for all County agencies and selectively approved other quasi-government entities	• Internal Service Fund budget $6,583,470 • 30 positions

What DGS Does	How Much
Procurement Acquires all goods, services, and construction necessary to carry out the functions of County government in the most cost-effective and timely manner consistent with required specifications and established procurement policies. Develops, implements, and provides purchasing services for goods, services, and construction in a timely, cost efficient, and legally defensible competitive manner to all County agencies, vendors/contractors, business and resident communities, and when applicable, other jurisdictions (e.g., cooperative procurements)	• $2,176,450 budget • 27 Positions
Real Estate Provides for leasing, site acquisition and disposition, space management, and site evaluation for all County Agencies and other venues owned or leased by the County	• $906,230 General Fund (GF) budget • $18,455,122 NDA • 7 positions
Office of Business Relations and Compliance Provides for the increased participation in County contracts by small and local business, as well as those owned by minority, female and disabled persons. In addition, ensures that workers employed by County contractors are paid a fair and equitable wage	• $508,771 - PSP • 5 positions

Cross-cutting Departmental Efforts

Headline Performance Measure #1 – Customer Satisfaction

Performance
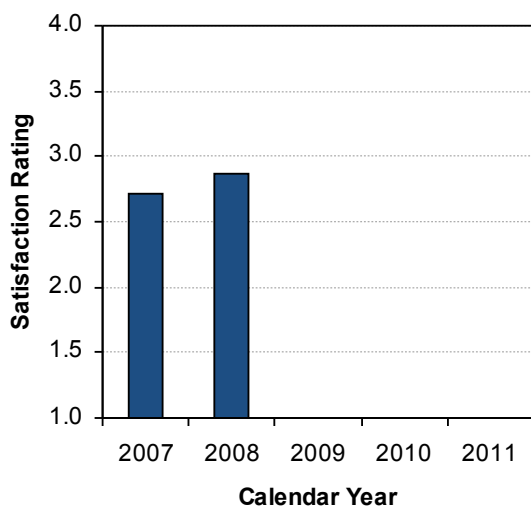
Function	Average Rating	
	2007	**2008**
Bldg Services	2.67	2.81
Capital Dev Needs	2.69	2.92
Fleet Services	2.88	3.00
Leased Space Needs	2.66	2.87
Print / Mail / Archives	3.05	3.14
Procurement	2.40	2.45
DGS Average	**2.72**	**2.86**

The Story Behind the Performance

Contributing Factors
- Proper "customer service is what we do" attitude
- Streamline business processes so they only target critical steps and then use technology to assist in speeding up the processes
- Provide realistic expectations and meet them

Restricting Factors
- Shortage of staffing to provide services
- Budget limitations for business process assessment and technological development

What We Propose to do to Improve Performance
- Require Customer Service training for all employees
- Lead by example with management
- Screen all level of new employees for customer service orientation
- Listen to our customers on ways to improve our processes and make them more customer-friendly. Incorporate technological improvements to make processes quicker and more predictable from customers' perspective (finding an efficient way to say "yes we can")

Headline Performance Measure #2 – Environmental Stewardship

Performance
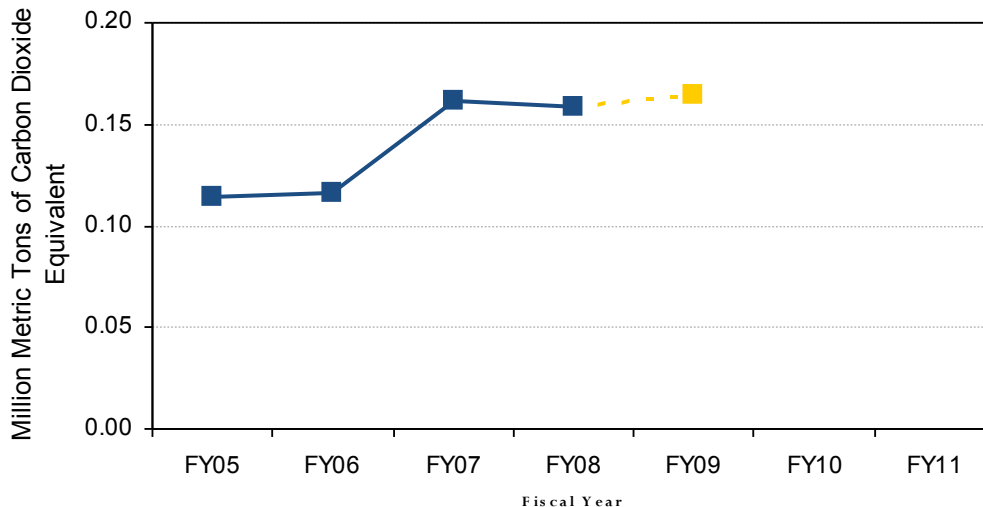
The Story Behind the Performance

Contributing Factors

- Factors that reduce energy consumption
  - Retrofit existing buildings
  - Building design and construction standards
  - Write leases to include higher energy standards
  - Alternative sources
  - Purchase through environmental sensitive sources (wind power, etc.)
  - Replacing existing systems with solar, wind, impeller driven modes
  - Pursue partnerships and performance contracts focused on improving energy consumption
- Factors that reduce vehicle consumption
  - Hybrids
    - o Increase percent of hybrids in fleet
    - o Actively seek hybrid options for all classes of vehicles
  - Smaller fleet
    - o Car share program eliminates excess vehicles held in reserve
    - o Eliminate under-utilized vehicles
  - Alternative fuels
    - o Use clean diesel and bio-diesel to reduce impact of existing vehicles
    - o Purchase vehicles with the intent of using alternative fuels

Restricting Factors

- Budget limits and economic pressures
- Technical training for construction design and build staff, and trades staff
- Some technology is untested which requires us to be aggressive while also being willing to change course if the technology does not meet expectations

What We Propose to do to Improve Performance

- See contributing factors above
- Provide Leadership in Energy and Environmental Design (LEED) training to all technical staff in the Divisions tasked with construction, remodeling, and maintenance
- Install sensors in more County buildings which will turn out lights when offices are unoccupied
- Team with DTS to find the right solution for turning off desktop and office equipment for off hours.
- Upgrade the Energy Management System (EMS) to monitor and control energy usage at a sub-panel level and during peak consumption and rate periods, while maintaining comfort for workers

Facilities Management and Maintenance

Headline Performance Measure #3 – Hours Offline for Critical Building Systems

Performance
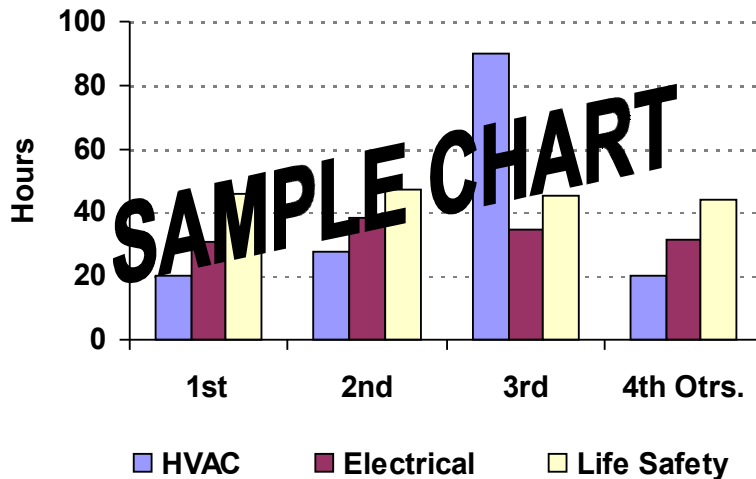
Strategy to collect data and implement this measure
- We will collect this information through our EMS, facility staff, and Customer Service calls.
- We will record the number of major systems failures/ non-critical failures and the amount of time they were offline and factors which cause delays.

The Story Behind the Performance
Contributing Factors
- Proper preventive maintenance program
- Monitoring equipment through EMS.
- Technical training for mechanics and technicians

Restricting Factors
- Shortage of maintenance vehicles
- More facilities need to be retro-fitted to EMS (monitoring)
- Non-critical calls reported as emergencies
- No control over public utilities: Pepco, Washington Gas, WSSC
- Budget limitations resulting in infrastructure deterioration
- Lack of skilled staff to provide direct preventive maintenance and emergency services

What We Propose to do to Improve Performance
- Assess restructuring the Division to determine services to be assigned to in-house versus outsourcing based on licensure, certifications, skills, equipment, and resources required to service our critical equipment.
- Propose upgrades on critical equipment requiring redundancy on incoming feeders, chillers, and control monitoring.

Headline Performance Measure #4 – Condition of Non-critical Building Systems and Aesthetics

Performance

- **Restrooms**   **Public Areas**   **Non Public Area**   **Exterior**
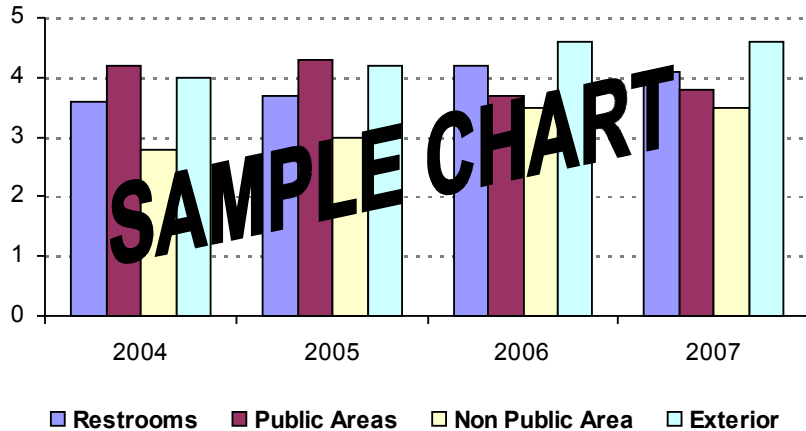
Strategy to collect data and implement this measure

- We will design a survey that addresses building comfort and aesthetics specifically. May be on a rotational basis by building, geographic location, building type (office buildings, Recreation Centers, swimming pools, entertainment venues, etc.), or some combination.
- Collect information through our Customer Service calls that record the number of non-critical failures and the amount of time it took to correct

The Story Behind the Performance

Contributing Factors

- Proper housekeeping standards and scheduled services
- Repaint, re-carpet, retile, etc. to replace conditionally deteriorating finishes
- Provide temperature settings that are comfortable to majority of building users
- Be responsive to requests for services that address comfort/non-critical issues
- The use of contract support augments the County's personnel shortfalls and provides the technical expertise/specialization that is not available within the County's workforce. DGS's recent performance in completing maintenance and customer generated service requests is due to the contract support that augments the in-house workforce.
- An automated maintenance management system (MMS) is essential to maintain oversight, schedule, track, and report on the status of preventive maintenance work. A MMS is also critical to the collection, management, and analysis of facility related and deferred maintenance data. The current MMS used by DGS meets basic requirements.
- Rely on consultant-generated assessments of 1.2 million square feet of County building space, which provides a "snapshot" of the state of the County's facility infrastructure and also provides actionable data that can be integrated into DGS's MMS.

Restricting Factors

- Shortage of trained staff in technical areas such as HVAC
- More facilities need to be retro-fitted to EMS (monitoring) and MMS systems
- Non-critical calls deferred by triage for emergencies which are on the rise due to infrastructure deterioration
- No control over public utilities. (i.e. Pepco, Wash. Gas, WSSC)
- Budget limitations resulting in deteriorating conditions

7

- As the facility infrastructure ages, and as the separate building systems reach the end of their useful lives, preventive maintenance has less and less impact in preserving system functionality. Corrective maintenance rapidly increases in frequency and severity, and the risk of a complete system failure increases dramatically. As the County's population increases, the demand for services also increases. This increased demand creates a commensurate increase in the use and occupancy of the County's public facilities. The visiting public and the supported County Departments both have an expectation of adequate public facilities that provide functional, healthy space to deliver public programs. DGS's ability to provide timely, and complete, preventive maintenance and corrective maintenance is critical in meeting this public/Department expectation

What We Propose to do to Improve Performance

- Hire qualified personnel by working with OHR to develop/modify the County's personnel system so that the County's compensation and classification will allow us to compete in the labor market for skilled/qualified trades personnel.
- DGS will work with OMB to request the appropriate level of funds to address annual maintenance requirements, address deferred maintenance to move facilities rated as "poor" to the "fair" or "good" category, and support the needed contractor augmentation to bridge the gap between in-house capability and need.
- Improve the EMS and MMS System by upgrading and/or replacing it to improve the Department's ability to track and report on performance data directly related to the timely completion of preventive maintenance items.
- Continue to perform facility assessments and integrate the facility data into the Department's MMS to assist in prioritization of work and to improve reporting on facility status and performance.

FLEET MANAGEMENT SERVICES

Headline Performance Measure #5 – Mean Miles Between Service Interruptions

Performance

Mean Miles Between Service Interruptions
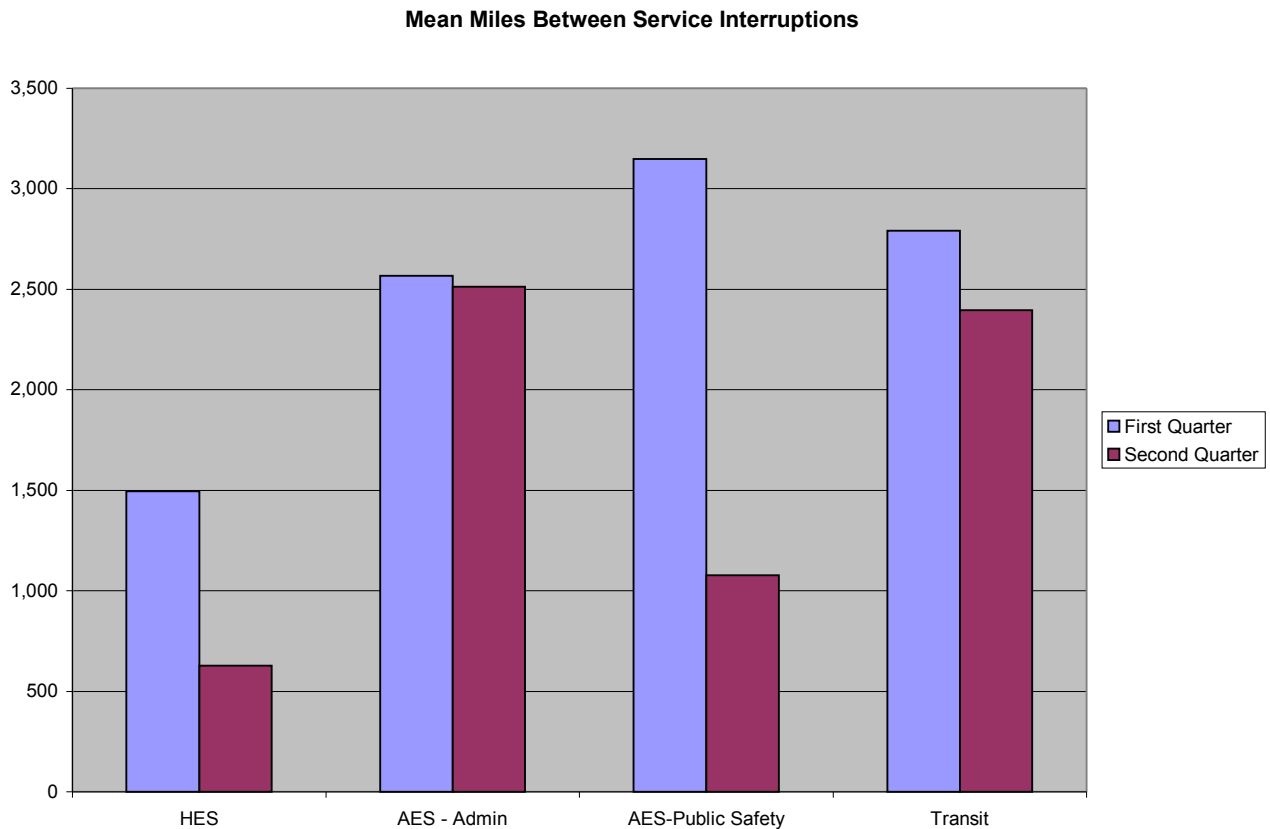
The Story Behind the Performance

Contributing Factors
- Maintaining a good morale in the work force
- Providing the proper tools, facilities, parts, training, record keeping, compliance, leadership, and funding required to safely maintain the equipment
- Having the support and responsiveness from other departments whom we rely on
- Having reliable and responsive contractors
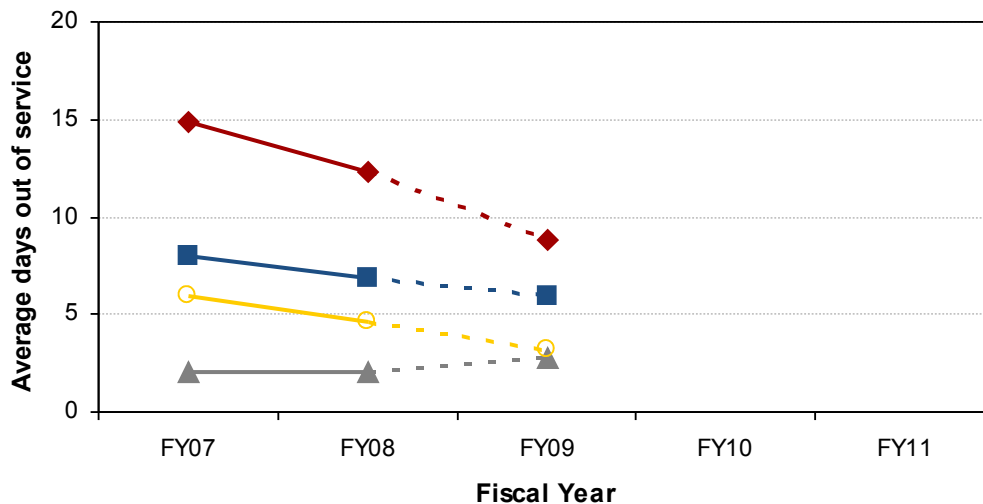
Restricting Factors
- Overcoming the previous culture of not being responsive to the needs of its customers and employees
- Non-performing contractors
- Difficulty in soliciting qualified contractors

What We Propose to do to Improve Performance

- Work with vendors/contractors to improve performance
- Work with Procurement in soliciting qualified contractors

Headline Performance Measure #6 – Turnaround Time: Average Number of Days Out of Service

Performance

The Story Behind the Performance

Contributing Factors

- We have dedicated, hard working employees, we have supplied necessary training and equipment, and we monitor their performance

Restricting Factors

- Vehicles that are at a vendor or a dealer for work effect vehicle downtime.
- Employees taking their scheduled annual time off leave Fleet short-handed at times
- Aging fleet makes acquiring parts for older vehicles difficult

What We Propose to do to Improve Performance

- Work with vendors and dealers for faster completion
- Work with vendors and Fleet parts technicians for quicker delivery of parts

Building Design and Construction

Headline Performance Measure # 7 – Percent of Projects Meeting Design and Construction Goals

Performance

Projects Meeting Time Estimate (%)

Projects Meeting Cost Estimate (%)

SAMPLE CHARTS
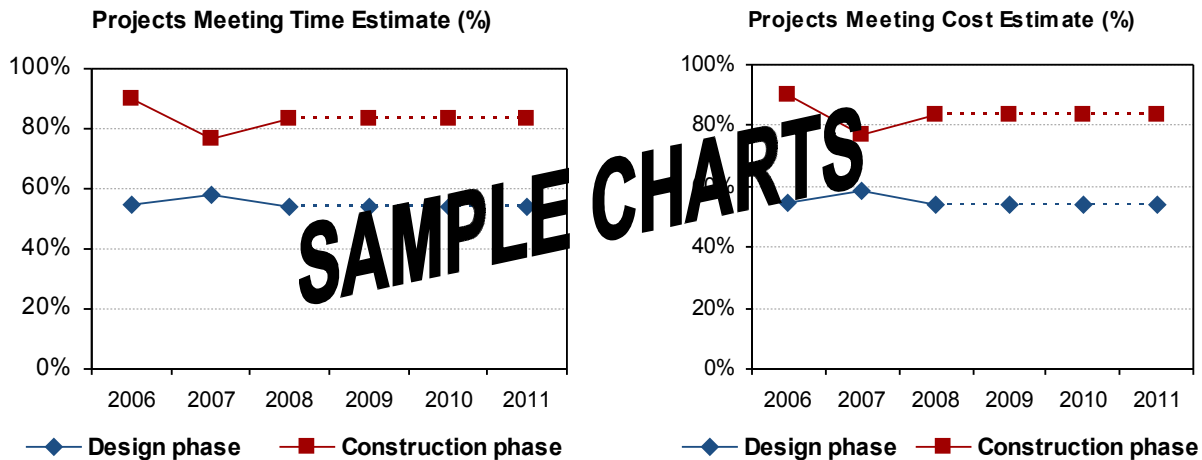
Strategy to implement measure

- DGS has designed a database that will track estimated time for completion of the design and separately the construction phases of a project. Once a project is completed, DGS will plot actual time against the estimated time as a percentage of accuracy where 100% would be an exactly equal ratio.
- DGS has designed a database that will track estimated costs for completion of the design and separately the construction phases. Once a project is completed, DGS will plot actual costs against the estimated costs as a percentage of accuracy where 100% would be an exactly equal ratio.

The Story Behind the Performance
Contributing Factors

- Each project is assigned to a Project Manager at the time it is approved (as a Facility Planning project or a Design Project)
- Managers hold bi-weekly progress meetings with Project Managers to determine/resolve project issues
- Project Mangers prepare monthly status reports, which are reviewed with the Division Chief and Director in two separate monthly meetings.

Restricting Factors

- Unrealistic project schedules (escalation is not properly addressed, increasing cost)
- Inadequate planning for upcoming projects
- Inadequate scheduling to include permitting (DPS and Utility reviews)
- Inadequate accounting for pre-design (period after project is approved until an A/E is under contract)
- Projects started without the project site being purchased, adversely impacting the schedule.

- Projects approved and started without necessary predecessors (POR not approved by outside Agencies, site not selected, etc.)
- Revision of project scope/POR by client department, County Executive, or others after project is approved
- Coordination challenges with M-NCPPC; Mandatory Referral process resulting in project delays
- Inadequate coordination with and cooperation from utility companies (Pepco and WSSC)
- Partnerships with other entities (developers, WMATA, etc.) that do not share the same goals and schedule commitments as the County.
- Public participation in, and resistance to, many new projects
- Construction cost escalation needs to more realistically reflect inflation. Budget estimates are not keeping up with actual construction market prices resulting in "cost over runs".
- New regulatory constraints tend to slow down and raise the cost of the process, such as Champion Tree legislation, reforestation, LEED, Prevailing Wage, Clear Water Task Force recommendations
- M-NCPPC is often slow to "sign-off" on building permits when mandatory referral comments (which are advisory) are not addressed, resulting in delays in issuance of the building permit.
- The requirements for local jurisdiction review have resulted in delays in several projects, including: Police Vehicle Recovery Facility (Gaithersburg) and MCDC Reuse (Rockville).

What We Propose to do to Improve Performance

- We will develop a Project Plan for each new project prior to submission of a PDF. This Plan will include a reasonable project schedule and budget. We will track changes to the project schedules and will actual track expenditures with respect to this predetermined Plan and help project managers respond to delaying and cost-increasing factors.
- We will hire a dedicated "cost estimator" to develop a parametric database of unit costs, apply historic values, and review the cost estimates of our design consultants, all in order to arrive at more accurate estimates of costs.
- Identify priority projects that are consistent with and support the goals of the Executive and County Council and work to keep those projects on schedule and within budget through regular review and assessments by upper management.
- Continue our monthly meetings with the Director's Office in reporting project status and identifying any specific project constraints, either to schedule or budget, and work to identify solutions.
- Contact, and coordinate with, utility companies to determine ways to avoid delays resulting from their review and approval process.
- We will train our project management staff to become LEED-certified.

Business Relations and Compliance

Headline Performance Measure #8 – Percent of Contract Dollars Awarded to Minority/Female/Disabled (MFD) and Local Small Business Reserve Program (LSBRP) Vendors

Performance
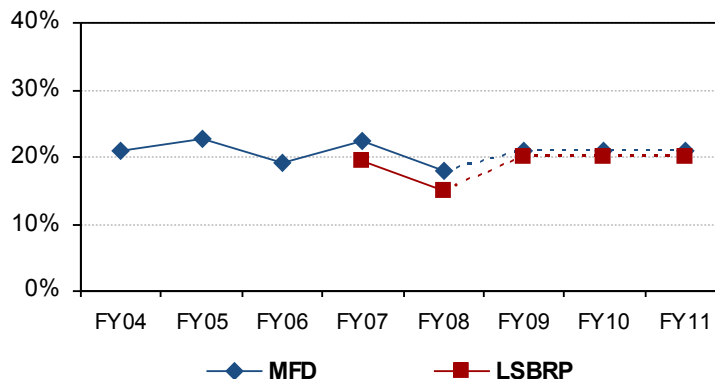
The Story Behind the Performance

Contributing Factors
- Monitor departments' and agencies' contracting for compliance
- Provide outreach and assistance to raise awareness and assist with compliance
- Actively recruit eligible vendors and match their skills with department needs

Restricting Factors
- Resistance from departments that see the MFD requirements as added time in the process
- Economic conditions which limit staffing which in turn limits intervention strategies

What We Propose to do to Improve Performance

Minority, Female, and Disabled Persons (MFD) Vendors
- Annually increase the number and total dollar value of contracts to certified minority, female, or disabled person owned businesses
- Annually increase the database of certified MFD firms
- Increase MFD growth by participating in outreach activities and publishing three articles for reprinting by trade and professional associations
- Ensure contractors' compliance with MFD Plans
- Complete reports monthly, quarterly, and annually within 30days of the due date
- Make the MFD sector aware of competitive opportunities.
- Identify databases of MFD companies providing goods and services required by the county
- Solicit bids and proposals from companies listed in those databases, in addition to providing links to these databases to prime contractors seeking MFD subcontractors
- Promote greater awareness and use of MFD businesses by county departments for informal and small purchases
- In collaboration with Economic Development, identify resources that can provide assistance to MFD companies seeking to become more capable of competing for county business
- Expand the number of recognized certifying programs (currently limited to MDOT certification) so as to broaden eligibility.

- Eliminate the regulatory restriction requiring the use of existing contracts for <$5K purchases thereby providing departments with more flexibility in small purchases and increased opportunity to small and minority businesses.
- Promote the development of a virtual bulletin board to the local and minority business community to distribute notices of solicitation opportunities.
- The <$50,000 contracting activity was not previously tracked and may represent a significant level of contracting activity. The Business Relations and Compliance unit will begin tracking this information in Q3 of FY09. It is expected this will indicate a measurable increase in MFD activity but actual results are speculative at this time.
- To improve MFD participation the Business Relations and Compliance unit will:
  - Encourage increased participation in the competitive process by more widely advertising opportunities to the MFD business sector by collaborating with Federal and state MBE/DBE coordinators, chambers of commerce and ethnic publications to publish notices
  - Direct prime contractors to resources for identifying qualified business partners – direct links on DGS website, special workshops, collaboration with DED
  - Provide more frequent education and training opportunities regarding familiarity with procurement policies and procedures, improved skills in proposal writing, and provide linkage to resources that help strengthen small businesses (financial, insurance, etc.)
  - Improve the quality and clarity of communication devices (website, literature, trade show displays, etc.) used to reach the business community and encourage participation.
  - In collaboration with the Office of the County Attorney, investigate revising the solicitation process to require review and submission of the MFD subcontracting plan as part of bid/proposal review, but without it being a formal-ranking criteria. Currently, the MFD plan is not considered until after determination of recommended award. This minimizes the significance of the plan and pressures county staff to approve underutilization in order to not delay contract execution.
- Business Relations and Compliance unit will collaborate with departments to:
  - Promote MFD subcontracting with prime contractors performing work for the departments
  - Provide increased opportunity to MFD businesses when soliciting bids and proposals for informal solicitations
  - More diligently seek out MFD suppliers and service providers for small purchases
- Business Relations and Compliance Section will seek support from majority contractors and vendors:
  - To more diligently reach out MFD businesses when seeking qualified subcontractors by using already existing, extensive federal and statewide databases of MFD companies
  - To make available training and developmental resources identified by the Department of Economic Development

Local Small Business Reserve Program (LSBRP) Vendors
- Increase annually the support and number of training opportunities provided to departments, small businesses, trade and professional associations
- Ensure a minimum of l0 percent of the total dollar value of contracts are issued to local small business
- Maintains the LSBRP website and computer database of statistical data to verify and periodically report departmental accomplishments and expenditures to local small businesses
- Annually increase the number of certified vendors in the Local Small Businesses Reserve Program
- Complete reports monthly, quarterly and annual reports within 30days of the due date

Procurement

Headline Performance Measure #9 – Percent of Procurements Completed in Agreed-Upon Time

Performance

Strategy to implement measure

- DGS, Procurement has revised its departmental notification systembegun collecting data on time estimates for individual contracts based upon the complexity of the contract, workloads within the Office of Procurement, and solicitation tracking database to collapse both agreed to dates as well as actual dates into a single database. Proposed dates with departments will be based on reviewing each solicitation for complexity of the project, legislation it is subject to (e.g., Living Wage, Prevailing Wage, MFD, etc.), workloads within the Office of Procurement and Using Department, other offices involved, etc. It will be categorized by the type of solicitation (Invitation for Bid (IFB), Request for Proposal (RFP) or construction based).
- DGS, Procurement currently tracks the actual time for IFB, RFP and construction based contracts which can be compared to the agreed to dates being captured under the revised database stated above. Parameters have been set up to indicate events that may trigger a revision to agreed to dates while keeping within the agreed to "number of days" reasonable for each part of the process. It also has a built in reporting mechanism to take data entered and capture the percentage of time the agreed upon dates were achieved.

The Story Behind the Performance

Contributing Factors

- Streamline processes within the Procurement office
- Fully staffed and trained specialists
- Good collaboration and boilerplate templates and checklists
- Review of various reports to ensure movement in workflow
- Improved Intranet access to information
- Streamline processes within using departments
- Trained contract administrators
- Good collaboration
- Adherence to regulations, policies and processes
- Improved communication between Procurement and client departments
- Advanced agreement on procurement strategy and revision of templates

Restricting Factors

- Limited employee reward options
- Not enough contract administration training for using departments and agencies
- Sometimes inconsistent guidance
- Morale and classification delays
- Budgetary and resource constraints with increased priorities
- Reduced training opportunities and networking due to budgetary constraints
- Departmental administrators not following processes
- Using Departments increased time in evaluation phase
- Lack of trained contract administrators in using departments and agencies
- Lack of collaboration
- Drain of knowledge base within a short period of time
- Regulatory mandates for public notice of competitive opportunities and protests/appeals.
- Review of bids/proposals by department practitioners to determine accuracy and acceptability Restricting factor.

- MFD program requirements for contracts of $50,000 or more
- Performing cost and price analysis for major bids and proposals
- Certifying compliance with Living Wage statutes ensuring that contractors on eligible contracts compensate employees at least at the minimum level established by county regulation
- Review and approval periods by County Attorney and Risk Management

What We Propose to do to Improve Performance

- Decreasing transaction workload of Procurement Specialists to increase advisory and analytical support to client departments in solicitation preparation phase thereby making the process time predictable.
- Develop a Qualification and Selection Committee (QSC) Primer that includes guidance on: regulatory requirements, time management, proposal review techniques, reporting criteria with examples, and other elements
- Implementation of online bid submission to reduce distribution time, reduce bid error/review time and central vendor registration process.
- Increased Procurement guidance/oversight of QSC deliberations through regular contact with QSC chairs
- Use technology solutions to track workload and cycle times to eliminate workload imbalance and improve responsiveness

Implementation Planning

A. In-depth analysis of transaction profile to determine commodity classes and contracts under which low dollar orders are being placed.
B. Increase use of p-cards for orders against existing contracts (this will require coordination with program administration in Dept. of Finance)
   a. Research cause(s) of underutilization of p-cards throughout the county and define strategies to overcome identified cause(s) (streamlined reporting, less threatening policy language, etc.)
   b. Review current contracts and include in future contracts provisions for use of p-cards
   c. Benefit 1: Requisition-to-Purchase Order processing time is significantly decreased

C. Developing analytical and planning skills sets in PS2 Procurement staff.
   a. Benefit 1: Solicitation and contract strategies will be improved as will QSC and negotiation process through increased support and oversight
D. QSC Primer development schedule to include:
   a. First draft by Procurement by August '09
   b. Review by representative department user group by April '10
   c. Distribution/training July-August '10
E. Creation in CY09 central vendor registration site, online bid submission

Real Estate

Headline Performance Measure #10 – County Rent vs. Average Market Rent for Leased Space

Performance
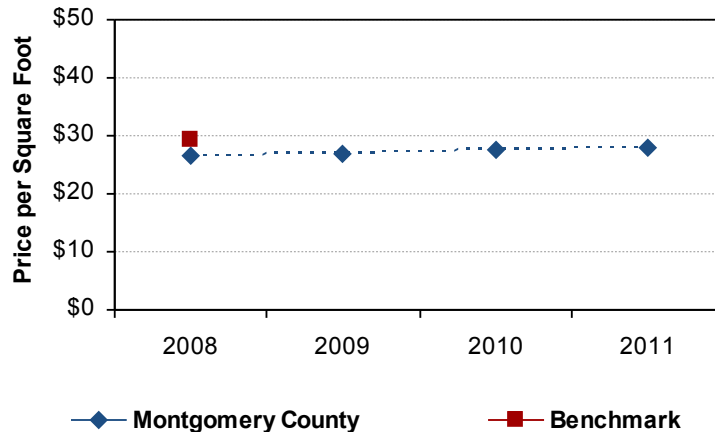
The Story Behind the Performance

Contributing Factors
- Negotiating skills which leverage landlords' sense of stability for leases with the County
- Presenting the County as a very desirable tenant
- Availability of suitable space in some desired locations

Restricting Factors
- Shortage of available space in some desired locations
- Economic conditions such as rising market rates that encourage landlords to wait for a better offer
- The particular agency and the use being promulgated for the lease
- Shift to preferring environmentally friendly leases could cost more per square foot
- Leases must contain non-appropriation language, basically rendering every lease one year long.

What We Propose to do to Increase Performance
- Take advantage of economic conditions to leverage lease negotiations.
- Look at lease consolidations that will result in lower lease rates or fewer leases.

Appendix A: Budget

Given current economic conditions and budget reductions, any increase in personnel, contractors, new technology, and enhancements for FY09. FY10 and potentially beyond would have budgetary implications. Realistically, if we can maintain current operational levels or incrementally improve service through process improvements, we would be pleased.

Appendix B: Implementation

See responses in Appendix A, and those within the body of the plan, especially in the section "What we propose to do to improve performance".

Appendix C: Data development Agenda

Our approach to data development is embedded within the body of the plan, and has explained how we intend to do the tracking in the "Strategy to implement measure" section.

Addendum A: DGS Partnerships/Collaboration

- Maryland National Capital Park and Planning Commission (M-NCPPC)
- Police Department (MCPD)
- Department of Permitting Services (DPS)
- Maryland State Highway Administration (SHA)
- Department of Environmental Protection (DEP)
- Maryland Department of the Environment (MDE)

Addendum B: Innovations

- Launched the Central Vendor Registration system for Procurement operations which allows potential vendors to register on-line rather than through hard copy files – January 2009
- Developed a centralized scheduling system for Central Duplication as the pre-curser for e-forms and digital extraction for use in business processes reducing the need for manual input and shorten the preparation time – December 2008
- Digitizing all records which eliminates the need for manual filing and quickens the time to locate the documents. As a subset of this effort we are also reviewing our processes in order to identify the best point in the process to capture the record and to improve those processes as electronic processing
- See also "What we propose to do to improve performance" in each measure for specific efforts by measure.

Addendum C: Workforce Diversity and MFD (confidential)

Future submission under separate cover, once protocols are established.